

**SOPHIE HAHN**

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CONSENT CALENDAR

November 12, 2019

To: Honorable Members of the City Council
 From: Councilmember Sophie Hahn and Mayor Jesse Arreguín
 Subject: Budget Referral: Expansion of Homeless Navigation Facilities and Programs

RECOMMENDATION

Pursuant to Measure P Panel of Expert Investment Area Priorities #1 and #2:

- Authorize the establishment of a third sleeping unit at the Berkeley Pathways STAIR Center to increase capacity, and direct staff to explore options to operate and provide services to the expanded population.
- Refer to the budget process to allocate funds to establish a third sleeping unit and additional facilities as needed to increase capacity at the STAIR Center, and to fund operational and programmatic needs.

BACKGROUND

- According to a recent Health, Housing and Community Services Department report to the City Council, the Pathways STAIR Center is our most effective shelter-type facility resulting in 64% of clients exiting to permanent housing versus 9% for all other Berkeley adult shelters.¹
- The 2019 Alameda County point-in-time count showed that while Berkeley is doing better than most other Alameda County cities that have significant homeless populations, the number of persons experiencing homelessness in Berkeley rose by 14% since 2017.²
- With more people needing housing and services, and given the STAIR Center's success re-housing people through its comprehensive Housing First program, adding a third sleeping unit to increase capacity is a sound strategy to accelerate progress in addressing the problem of homelessness in Berkeley.

¹ https://www.cityofberkeley.info/Clerk/City_Council/2019/10_Oct/Documents/2019-10-15_Presentations_Item_37_Pres_HHCS_pdf.aspx; *see also* https://www.cityofberkeley.info/Clerk/City_Council/2019/10_Oct/Documents/2019-10-15_Item_37_Pathways_STAIR_Center_First_Year_Data.aspx

² http://everyonehome.org/wp-content/uploads/2019/07/2019_HIRDRReport_Alameda_FinalDraft_8.15.19.pdf

- The STAIR Center was originally envisioned to have three sleeping units, and space was left on the site for such a third unit. Additional services or facilities may also need to be increased, including bathrooms.
- Establishment of sleeping and other facilities will require one-time, up-front costs which could potentially be paid through private donations. With proof of concept established and excellent performance by the STAIR Center in its first year, the City would be well-positioned to attract donations for startup costs, and should explore this possibility as one means to fund the establishment of new facilities.
- Longer term, operating and programmatic/services costs need to be allocated, leveraging federal, state, county, and other resources, and potentially allocating general funds available due to the passage of Measure P.

FINANCIAL IMPLICATIONS

Staff to return to Council funding requirements through the Budget Process.

ENVIRONMENTAL SUSTAINABILITY

Providing an opportunity for unhoused individuals to move into the STAIR Center would alleviate pressures on our sidewalks, parks, streets, and other public spaces. The addition of one more unit and other necessary facilities to the existing STAIR Center should have no impacts on environmental sustainability.

CONTACT INFORMATION

Councilmember Sophie Hahn, Council District 5, (510) 981-7150

ATTACHMENT

Homeless Service Panel of Experts, Recommendations for Allocation of FY 19/20 Measure P Funds



Homeless Services Panel of Experts

ACTION CALENDAR

October 29, 2019

To: Honorable Mayor and Members of the City Council
From: Homeless Services Panel of Experts
Submitted by: Katharine Gale, Chairperson
Subject: Recommendations for Allocation of FY19/20 Measure P Funds

RECOMMENDATION

Approve recommendations for the allocation of FY19/20 General Funds at least commensurate with resources accrued to date from the passage of Measure P. Refer to the City Manager to produce data regarding the percentage of those transported with County Emergency Mental Health Transport who are homeless, and other sources that could be used to cover this cost.

SUMMARY

The Homeless Services Panel of Experts recommends that the City allocate general funds to a variety of critical activities including permanent housing, shelter, supportive services and other program types to address the current crisis of homelessness in Berkeley. The recommended priority order, percentages, types of activities and subpopulation considerations are included as Attachment 1 to this report.

FISCAL IMPACTS OF RECOMMENDATION

Recommendations covered by this report allocate general fund resources for homeless housing and services in an undetermined amount to be at least commensurate with those raised to date under the transfer tax authorized under Measure P (minus those previously allocated by Council).

CURRENT SITUATION AND ITS EFFECTS

Homeless is increasing in the City of Berkeley and throughout the Bay Area. Between 2017 and 2019 homelessness in Berkeley at a point-in-time has risen by 13%, affecting more than 1,100 people on any given night. Recognizing the need for additional housing and services and for humane measures to address the impacts of homelessness, the Voters of Berkeley passed Measure P in November 2018 which collects a specified transfer tax with the intention to use these additional funds to address homelessness in the City of Berkeley.

Measure P established a Homeless Services Panel of Experts to advise the City Council. The Panel consists of nine members with a deep level of expertise in areas

relevant to homelessness, including persons with extensive professional and/or lived experience with homelessness. The Panel began meeting in May 2019. Katharine Gale and Yesica Prado are the elected chair and vice-chair of the Panel.

Addressing homelessness is a Strategic Plan Priority Project, advancing the City's goal to create affordable housing and supportive services for our most vulnerable community members.

Process

This report provides the Panel's first recommendations for initial investments from General Funds to increase and improve housing and services to address homelessness in Berkeley. In order to develop these recommendations, the Panel first adopted a Purpose Statement (attached). The Panel reviewed all of the referrals made to us since the Measure's passage in light of our adopted statement. This included the funding requests and referrals included in the January 2019 Measure P Informational report to Council as well as additional referrals, formal and informal, sent to the Panel since that time. We also considered information we were presented by City staff regarding current City of Berkeley investments, local and regional strategies, the 2019 Point-in-Time Count, and the 1,000 Person Plan.

A Mission and Budget Subcommittee of the Panel meet and categorized the referrals we received by areas of investment (permanent housing, shelter, etc.) and proposed initial percentages to each area, as well as a process to determine the final recommendations. The full Panel reviewed the investment areas, added additional activities/program types to the areas, prioritized the program types within each area, and made recommended adjustments to the percentages, resulting in the recommended allocations attached to this report. Our recommendation regarding shelter and temporary accommodations includes the potential to use funds to support sanctioned encampments if approved by a Council policy and we encourage the City to give consideration to this approach.

The Panel also adopted subpopulation priorities within the key investment areas of permanent housing subsidies, and flexible housing subsidies. These include establishing a \$500,000 set-aside for permanent housing subsidies for homeless families with children. This also includes a recommended 20% set-aside for families and transition-age youth in flexible housing subsidies, using the McKinney-Vento (i.e. Berkeley Unified School Districts) definition of homelessness, though not limited to families with school-age children.

As stated above, the actual amount of funding to be allocated has yet to be determined. The agreed upon order of priority and percentages is included as Attachment 1. The Panels' priorities within each area are expressed in the order of activities. We recommend that higher ranked activities be given a greater priority for resources, but we recognize that some activities we have recommended may be funded using other resources at the City's disposal. Activities left out of our table, such as Public Works street cleaning, and general street outreach, were not recommended for funding from Measure P at this time.

Objection to Full Funding for Emergency Mental Health Transport

The Panel notes that the amount available for us to allocate was reduced by nearly \$1.5 million in FY19/20 based on commitments recommended previously by the City Manager for City staff and for Mental Health Emergency Transport. We understand that FY19/20 funding is already committed but we wish to express our strong objection to the pre-allocation of \$2.4 million in FY20/21 Measure P-generated funding to fully cover these transportation costs. Measure P was passed by the voters of Berkeley to address the crisis of homelessness; while some people who experience homelessness may require emergency mental health transportation, this service is not limited to people who are homeless and was not budgeted with consideration that most people who will be transported will be people who are housed. In addition, this service does not result in greater housing or shelter for people who are homeless and we believe is not consistent with the purpose of Measure P. ***We recommend the Council refer to the City Manager to produce information regarding the percentage of those transported who are homeless and other potential sources to cover this expense.*** We hope to make recommendations for next year's investments with consideration to this.

Next Steps

The HSPE recognizes that it was established not only to make recommendations about investment amounts but also to advise on methods and practices. A companion letter will be sent to Council to accompany this report with additional recommendations and considerations for how to ensure Berkeley's programming is consistent with best practices.

Future work of the Panel will include developing an Action Plan for the coming year, and coordinating with Measure O to plan for future developments. Future work may include recommendations regarding establishing a goal of ending family homelessness or other City-wide goals.

BACKGROUND

Measure P was passed by the voters of Berkeley in 2018. The Homeless Services Panel of Experts began meeting in May of 2019. To guide our work, in August 2019 we have adopted a Statement of Purpose. This Statement is provided as Attachment 2 to this report and is a guide to the recommendations made in this Report.

ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental costs or opportunities associated with these recommendations; the determination regarding how to invest in shelter expansion activities may require environmental consideration.

RATIONALE FOR RECOMMENDATION

The exact amount of funds that will be generated by Measure P are unknown at this time, and additional State and local funds may become available to the City to cover similar cost areas to address homelessness as those recommended by the Panel. Thus, the Panel is recommending key categories for investment, relative priorities expressed as percentages, and priorities within each of these areas. City staff and Council are encouraged to use these recommendations to determine the specific investments within each area.

ALTERNATIVE ACTIONS CONSIDERED

The HSPE considered various options for allocating resources to families and Transition Age Youth (TAY) including allocating resources based on each population's percentages in the Point in Time (PIT) count, establishing a specific priority for unsheltered families, and adopting a significant percentage of housing resources for families. The HSPE ultimately adopted and recommends a specific set-aside in the first allocation of at least \$500,000 of funding for permanent housing for families and a 20% percent set-aside in flexible subsidies for families and transition age youth.

CITY MANAGER

See Companion Report.

CONTACT PERSON

Peter Radu, Homeless Services Coordinator and Secretary to the Homeless Services Panel of Experts, HHCS, (510) 981-5435.

Attachments:

- 1: Recommendations for First Year Measure P Allocations - By Category and Activity
- 2: Homeless Services Panel of Experts Statement of Purpose

**ATTACHMENT 1:
Recommendations for General Fund Allocations Associated with Measure P - By
Category and Activity**

Because the total amount of funding available is unknown, recommendations are based on a percentage of funding to each category. Within investment areas, activities are listed in the order they were prioritized and we generally recommend higher priority be given to these activities over those that are listed further down in higher priority categories. Additional considerations and recommendations include subpopulation priorities and service types considered within each activity.

| Investment Area and Sub-Category Activities listed in Priority Order | Percent | Additional Considerations/ Recommendations |
|--|---------|--|
| <p>1. PERMANENT HOUSING</p> <p>Permanent Housing Subsidies and Services</p> | 30% | <p>Establish a minimum set-aside of \$500,000 for homeless families in this category. Transition-age youth should be included in funding for Adults.</p> |
| <p>2. SHELTER & TEMPORARY ACCOMMODATIONS</p> <p>1. Expand Shelter Capacity</p> <p>2. Invest in improving existing shelter capacity</p> | 30% | <p>1. Adding new sheltering capacity may include the development of dedicated RV parking, use of tiny houses, or other means to increase shelter capacity. If the City should adopt a policy approving sanctioned encampments then this use would also be included. City should ensure there is a focus on meeting needs of any families living on the street.</p> <p>2. Increase services and housing connections in existing shelters so that they are able to function as Navigation Centers.</p> |
| <p>3. IMMEDIATE STREET CONDITIONS & HYGIENE</p> <p>1. Toilets and Hygiene Stations, including for encampments</p> <p>2. Lockers and Storage Units</p> | 14% | <p>Note: These funds were not recommended for general clean-up and other Public Works functions and should be spent on activities that directly benefit homeless people.</p> |

| Investment Area and Sub-Category Activities listed in Priority Order | Percent | Additional Considerations/ Recommendations |
|---|--------------------|---|
| <p>4. SUPPORTIVE SERVICES</p> <ul style="list-style-type: none"> 1. Health Care services 2. Employment and Income Development Activities 3. Substance Use Treatment | <p>14%</p> | <ul style="list-style-type: none"> 1. Health care services dedicated to people experiencing homelessness which may include street medicine. 2. Activities may include job development and support as well as benefits advocacy and other services to improve incomes. 3. Substance use treatment services dedicated for persons who are experiencing homelessness. |
| <p>5. FLEXIBLE HOUSING SUBSIDIES</p> <p>Flexible housing subsidies may include prevention, diversion and/or rapid resolution support.</p> | <p>10%</p> | <p>Establish a 20% set-aside for homeless families and transition-age youth, using the McKinney-Vento definition of homelessness.</p> |
| <p>6. INFRASTRUCTURE</p> <ul style="list-style-type: none"> 1. Training ~80% 2. Evaluation ~20% | <p>2%</p> | <ul style="list-style-type: none"> 1. Use resources in this category for training for Berkeley community-based organizations working with people who are homeless. 2. Use resources in this category to ensure that the experiences of service users are captured and considered in performance evaluation. |
| <p style="text-align: right;">TOTAL</p> | <p>100%</p> | |

**ATTACHMENT 2:
Homeless Services Panel of Experts Mission/Purpose Statement
(adopted August 14, 2019)**

The Voters of Berkeley passed Measure P to generate additional General Funds to use to address the crisis of homelessness. The Homeless Services Panel of Experts created by the Measure was established to “make recommendations on how and to what extent the City should establish and/or fund programs to end or prevent homelessness in Berkeley and provide humane services and support.”

We understand the current crisis of homelessness requires investments in prevention, health services and permanent housing which we know to be the solution to homelessness, as well as in shelters, supports and other temporary measures that get people immediately out of the elements. We will seek to strike a balance between these needs in our recommendations.

We will consider currently unmet needs, gaps and opportunities, best practices and currently available data on outcomes. We will make recommendations for increased local investment, including program types, target populations and geographic areas as appropriate. We will seek to consider the best use of these investments in the context of other available Federal, State and local funding. In general, we will not make recommendations on the specific agencies to receive funding, nor run our own proposal process, recognizing this as a role for staff and the Council. We will request updates on the performance of Measure P investments and the homeless service system overall, including the experience of service users, and use this information to inform future recommendations and provide oversight.

We recognize that homelessness is a regional issue and requires a regional approach, including recognizing that people from Berkeley may live in other places and remain connected to Berkeley services.

To ensure Measure P funding recommendations further efforts to create more housing for people experiencing homelessness in Berkeley, we will coordinate with the Measure O panel to ensure that very low cost housing is connected to services and operating support so that it can successfully targeted to people who are homeless.

We will meet as needed to fulfill this Mission, and to make recommendations to the City Council at least annually.

